



## ***Texas Department of Insurance***

### ***Division of Workers' Compensation***

Medical Fee Dispute Resolution, MS-48

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645

518-804-4000 telephone • 512-804-4811 fax • [www.tdi.texas.gov](http://www.tdi.texas.gov)

## ***MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION***

### ***GENERAL INFORMATION***

#### **Requestor Name and Address**

PALLADIUM FOR SURGERY DALLAS LTD  
5920 FOREST PARK ROAD #700  
DALLAS TX 75235

#### **Respondent Name**

DALLAS AREA RAPID TRANSIT

#### **Carrier's Austin Representative Box**

Box Number 15

#### **MFDR Tracking Number**

M4-07-6907-01

### ***REQUESTOR'S POSITION SUMMARY***

**Requestor's Position Summary:** "The Carrier has reimbursed a total of \$388.69 for the patient's 9/27/2006 date of service. We disagree with the reimbursement. We are requesting additional payment of \$718.81 per TWCC we are allowed \$724.58 for procedure code 64475, we are allowed \$362.29 for procedure code 64476."

**Amount in Dispute:** \$383.73

### ***RESPONDENT'S POSITION SUMMARY***

**Respondent's Position Summary:** "The carrier has reviewed and processed payment for the above dates of service. Carrier has attached copy of the EOR along with a copy of the payment summary screens showing that payment has been issued. The bill was audited 11/13/06 and payment was made for 388.69. The bill was re-audited 4/20/07 and payment was made for additional 815.60. The carrier stands on its position that this date of service has been paid accordingly."

**Response Submitted by:** ESIS for DART, P.O. Box 31143, Tampa, FL 33631-3143

### ***SUMMARY OF FINDINGS***

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
September 27, 2006	ASC Services for code 64475-50	\$14.29	\$198.01
	ASC Services for code 64476-50	\$369.44	\$615.67
TOTAL		\$383.73	\$813.68

### ***FINDINGS AND DECISION***

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

## **Background**

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving a medical fee dispute.
2. Former 28 Texas Administrative Code §134.402, titled *Ambulatory Surgical Center Fee Guideline*, effective March 10, 2005, 30 TexReg 1290, sets out the reimbursement guidelines for Ambulatory Surgical Care services (ASCs).
3. The services in dispute were reduced/denied by the respondent with the following reason codes:  
Explanation of benefits dated November 22, 2006
  - 59-Charges are adjusted based on multiple surgery rules or concurrent anesthesia rules.
  - (689)-Reimbursement for this procedure code has been calculated according to the bilateral procedure rule.
  - W1-Workers Compensation state fee schedule adjustment.
  - (663)-Reimbursement has been calculated according to state fee schedule guidelines.Explanation of benefits dated May 3, 2007
  - 45-Charges exceed your contracted/legislated fee arrangement.
  - (850-300)-Allowance according to state fee schedule guidelines.
  - W3-Additional payment made on appeal/reconsideration.
  - (920-011)-Upon receipt of additional information (other than a report) from the provider, the recommended allowance has been revised.

## **Issues**

1. Does the submitted documentation support a contract exists between the parties for the disputed services?
2. Did the requestor support position that additional reimbursement is due for ASC services for code 64475? Is the requestor entitled to reimbursement?
3. Did the requestor support position that additional reimbursement is due for ASC services for code 64476? Is the requestor entitled to reimbursement?

## **Findings**

1. According to the explanation of benefits, the carrier paid the services in dispute in accordance with a contracted or legislated fee arrangement. The "Network Reduction" amount on the submitted explanation of benefits denotes a \$0.00 discount. The Division finds that the documentation does not support that the services were discounted due to a contract.  
On November 16, 2011, the Division submitted a notice requesting a copy of the contract between Dallas Area Rapid Transit and the network and the provider in this dispute. The insurance carrier's representative acknowledged receipt of the notice on November 17, 2011. The notice provided for a deadline to submit the requested information no later than fourteen (14) days after receipt of the notice. To date, the requested contractual information was not received.  
Therefore, reimbursement for the services in dispute will be reviewed in accordance with former 28 Texas Administrative Code §134.402.
2. Former 28 Texas Administrative Code §134.402(b) states "For coding, billing, reporting, and reimbursement of facility services covered in this rule, Texas workers' compensation system participants shall apply the Medicare program reimbursement methodologies, models, and values or weights including its coding, billing, and reporting payment policies in effect on the date a service is provided with any additions or exceptions in this section."  
Former 28 Texas Administrative Code §134.402(c) states "To determine the maximum allowable reimbursement (MAR) for a particular service, system participants shall apply the Medicare payment policies for these services and the Medicare ASC reimbursement amount multiplied by 213.3%."  
CPT code 64475 is defined as "Injection, anesthetic agent and/or steroid, paravertebral facet joint or facet joint nerve; lumbar or sacral, single level."  
The requestor appended modifier -50 to designate that it was a bilateral procedure.  
A review of the submitted operative report supports the claimant underwent bilateral lumbar facet injections at L4-L5 and L5-S1.  
CPT Code 64475 is listed in ASC payment group 1.  
Based upon the submitted medical bill the requestor is located in Dallas, TX in Dallas County. Dallas County is located in the reasonable charge locality 11.  
The Medicare ASC rate for ASC payment group 1 in locality 11 is \$332.70.  
To determine the MAR the Medicare ASC reimbursement of \$332.70 is multiplied by 213.3% = \$709.65.

Because the procedure was a bilateral procedure the Medicare payment policy is “150 percent payment adjustment for bilateral procedures applies. If code is billed with the bilateral modifier or is reported twice on the same day by any other means (e.g., with RT and LT modifiers or with a 2 in the units field), base payment for these codes when reported as bilateral procedures on the lower of: (a) the total actual charge for both sides or (b) 150 percent of the fee schedule amount for a single code.

If code is reported as a bilateral procedure *and* is reported with other procedure codes on the same day, apply the bilateral adjustment before applying any applicable multiple procedure rules.”

Therefore, \$709.65 multiplied by 150 percent = \$1064.47.

The respondent paid \$866.46. (\$156.17 + \$710.29)

Former 28 Texas Administrative Code §134.402(d)(1) states “In all cases, reimbursement shall be the lesser of the (1) MAR amount regardless of billed amount.”

Therefore, the Division finds that the requestor is due the difference between amount paid and MAR which is \$198.01 for ASC services for CPT code 64475.

3. CPT code 64476 is defined as “Injection, anesthetic agent and/or steroid, paravertebral facet joint or facet joint nerve; lumbar or sacral, each additional level.”

The requestor appended modifier -50 to designate that it was a bilateral procedure.

CPT code 64476 is exempt from the multiple procedure rule discounting.

CPT Code 64476 is listed in ASC payment group 1.

Dallas County is located in the reasonable charge locality 11.

The Medicare ASC rate for ASC payment group 1 in locality 11 is \$332.70.

To determine the MAR the Medicare ASC reimbursement of \$332.70 is multiplied by 213.3% = \$709.65.

Therefore, \$709.65 multiplied by 150 percent = \$1064.47.

The respondent paid \$448.80. (\$93.66 + \$355.14)

Former 28 Texas Administrative Code §134.402(d)(1) states “In all cases, reimbursement shall be the lesser of the (1) MAR amount regardless of billed amount.”

Therefore, the Division finds that the requestor is due the difference between amount paid and MAR which is \$615.67 for ASC services for CPT code 64476.

### **Conclusion**

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$ 813.68.

### ***ORDER***

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$813.68 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

### **Authorized Signature**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Medical Fee Dispute Resolution Officer

\_\_\_\_\_  
1/30/2012  
Date

### ***YOUR RIGHT TO REQUEST AN APPEAL***

Either party to this medical fee dispute has a right to request an appeal. A request for hearing must be in writing and it must be received by the DWC Chief Clerk of Proceedings within **twenty** days of your receipt of this decision. A request for hearing should be sent to: Chief Clerk of Proceedings, Texas Department of Insurance, Division of Workers Compensation, P.O. Box 17787, Austin, Texas, 78744. The party seeking review of the MDR decision shall deliver a copy of the request for a hearing to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §148.3(c), including a **certificate of service demonstrating that the request has been sent to the other party**.

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**